

**Remarks**

Applicants respectfully request reconsideration.

Claims 1-11 and 17 are allowed.

Claim 12 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite. The above amendment to claim 12, re-directing the scope of the claim, renders this rejection moot.

Claims 12 and 16 are rejected under 35 U.S.C. Section 102(e) as being anticipated by U.S. Patent No. 6,332,031 to Rhoads ("Rhoads"). The changes to claim 12 also render this rejection moot.

Claims 12, 13 and 16 are rejected under 35 U.S.C. Section 102(e) as being anticipated by GB 2346110A to Furley ("Furley"). While Furley refers to primary and secondary encodings and one or more patterns, it does not specifically teach "using the relationship between the first and second digital watermarks to determine authenticity of the printed object" in combination with the other elements of claim 12. Therefore, it does not anticipate claims 12, 13 and 16.

Claim 13 is rejected under 35 U.S.C. 103(a) as being unpatentable over Rhoads in view of U.S. Patent No. 4,552,617 to Crane ("Crane"). Rhoads is disqualified as prior art because, at the time the claimed invention of claim 13 was made, the Rhoads subject matter and the claimed invention was subject to an obligation of assignment to Digimarc Corporation.

Claim 14 is rejected under 35 U.S.C. 103(a) as being unpatentable over Rhoads in view of U.S. Patent No. 6,834,344 to Aggarwal. Rhoads is disqualified as prior art because, at the time the claimed invention of claim 14 was made, the Rhoads subject matter and the claimed invention was subject to an obligation of assignment to Digimarc Corporation.

Claim 15 is rejected under 35 U.S.C. 103(a) as being unpatentable over Rhoads in view of US Patent Publication No. 2002/0169962 ("Brundage"). Rhoads is disqualified as prior art because, at the time the claimed invention of claim 15 was made, the Rhoads subject matter and the claimed invention was subject to an obligation of assignment to Digimarc Corporation.

Claim 14 is rejected under 35 U.S.C. 103(a) as being unpatentable over Furley in view of Aggarwal. As noted above, Furley does not teach all of the elements of claim 12 and Aggarwal does not teach the elements of claim 14 missing from Furley. Thus, the combined teachings do not teach all of the elements of claim 14.

Claim 15 is rejected under 35 U.S.C. 103(a) as being unpatentable over Furley in view of Brundage. Brundage is disqualified as prior art because, at the time the claimed invention of claim 15 was made, the Brundage application subject matter and the claimed invention was subject to an obligation of assignment to Digimarc Corporation.

The claims should now be in condition for allowance.

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Respectfully submitted,

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